

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CONTEL CELLULAR)	
OF INDIANA, INC. FOR APPROVAL OF)	
THE TRANSFER OF INTEREST IN)	CASE NO. 95-266
EVANSVILLE MSA LIMITED PARTNERSHIP)	
FROM SMITHVILLE TELEPHONE COMPANY,)	
INC.)	

O R D E R

This matter arising upon petition of Contel Cellular of Indiana, Inc. ("Contel Cellular"), filed June 30, 1995, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the purchase price for its proposed acquisition of Smithville Telephone Company, Inc.'s ("Smithville Telephone") interest in Evansville MSA Limited Partnership ("Evansville MSA"), on the ground that disclosure of the information is likely to cause Contel Cellular competitive injury, and it appearing to this Commission as follows:

Evansville MSA is a limited partnership consisting of Contel Cellular and Smithville Telephone. Contel Cellular and Smithville Telephone have entered into a purchase and sale agreement under the terms of which Contel has agreed to purchase all of Smithville Telephone's interest in the partnership. In support of its application for approval of the acquisition, Contel Cellular has provided a copy of the purchase and sale agreement. By this petition, Contel Cellular seeks to protect as confidential the purchase price for the property which is shown in the agreement.

The information sought to be protected is of a type customarily maintained as confidential by Contel Cellular. Contel

Cellular disseminates the information only to those employees who have a legitimate business need to know and act upon the information.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

Contel Cellular faces both actual and potential competition in the area now being served by Evansville MSA. Contel maintains that disclosure of the purchase price for the interest it is acquiring could be used by its competitors to structure their rates or market their services in a manner that could make the market less competitive and preclude Contel from competing effectively for customers. However, the interest being acquired represents slightly more than 5 percent of the total ownership and knowledge of the purchase price paid for that interest would not reveal

Contel Cellular's total investment in the property, and therefore, disclosure of the purchase price would have little, if any, competitive value.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that:


1. The petition to protect as confidential the purchase price for the proposed acquisition of Smithville Telephone Company's interest in Evansville MSA Limited Partnership is denied.

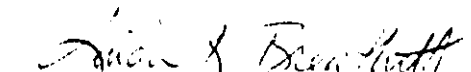
2. The information sought to be protected shall be held and retained by this Commission as confidential and shall not be open for public inspection for a period of 20 days from the date of this Order, at the expiration of which it shall be placed in the public record without further Orders herein.

Done at Frankfort, Kentucky, this 27th day of July, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director